



STATE OF DELAWARE
DELAWARE HEALTH AND SOCIAL SERVICES
DIVISION OF MEDICAID & MEDICAL ASSISTANCE
POLICY & PLANNING UNIT

ADMINISTRATIVE NOTICE A-04-2026

TO: DMMA Staff
DATE: March 11, 2026
PROGRAM(S) Medicaid (LTC)
SUBJECT: Retroactive Eligibility Clarification for Assisted Living

PURPOSE

This Administrative Notice notifies staff that Delaware Medicaid will no longer authorize retroactive Medicaid eligibility for Assisted Living services, which are classified as Long Term Care Community Services (LTCCS).

BACKGROUND

Assisted Living services are provided under the Home and Community-Based Services (HCBS) authorities of Sections 1915(c) and 1915(i) of the Social Security Act and are subject to federal requirements governing service initiation.

Federal regulations at [42 CFR §441.301\(c\)\(2\)](#) for the 1915(c), and [42 CFR §441.725\(b\)](#) for the 1915(i), require that an individual assessment must be completed, and a Person-Centered Service Plan (PCSP) must be developed, finalized, and completed with the individual's informed written consent prior to service delivery.

Although Delaware Medicaid previously applied retroactive eligibility rules used for Nursing Facility services towards Assisted Living, this practice has been determined to be inconsistent with the above-referenced federal requirements.

DISCUSSION

Effective May 1, 2026, Delaware Medicaid will no longer permit retroactive Medicaid eligibility for Assisted Living services.

The retroactive eligibility period refers to the month(s) prior to the month in which the individual applies for services. See DSSM 14920 Retroactive Coverage.

LTCCS, including Assisted Living services, is authorized under the Diamond State Health Plan (DSHP) 1115 Demonstration and requires enrollment in a Managed Care Organization (MCO) for service coverage. Because MCO enrollment must be in place before service authorization, retroactive coverage for Assisted Living services is not available.

Individuals determined eligible for LTCCS must enroll in an MCO.

Coverage for Assisted Living services may begin no earlier than:

- The effective date of MCO enrollment; and
- The date all federal HCBS requirements are met, including completion of the assessment and implementation of the PCSP with informed written consent.

Coverage does ***not*** begin on the date of Medicaid eligibility determination and cannot be applied retroactively.

Operational Impact for Assisted Living applicants:

- Retroactive eligibility is not permitted.
- Services are not covered prior to MCO enrollment and completion of the PCSP.
- Applicants should be advised to apply early while spending down resources to prevent gaps in coverage.

ACTION REQUIRED

Until updates are made to the ASSIST Worker Web (AWW) system:

For applicants who request retroactive eligibility for LTCCS, staff *must* complete a manual denial notice.

Staff *must* use the following reason for the denial:

Federal regulations at 42 CFR §441.301(c)(2) and 42 CFR §441.725(b) require that a Person-Centered Service Plan (PCSP) be completed and signed before Home and Community Based Services can be provided. The PCSP is developed after enrollment with a Managed Care Organization (MCO). Services cannot be approved before the PCSP is completed.

The DMMA MCO Unit will *no longer* manually enroll individuals into an MCO for retroactive coverage.

The Health Benefits Manager (HBM) will *continue* to enroll new members per their current process.

Example:

An individual applies for Assisted Living in January of 2026 and requests retroactive coverage back to October of 2025.

Staff must enter the case filing date as the January filing date in AWW on the Program of Assistance Summary.

Program of Assistance Summary

History Begin  History End  [Retrieve](#) | [Clear](#)

Case Filing Date * [Change Filing Date](#)

Program of Assistance	Request *	Begin Date *	Record History Number	Updated Date		
Cash	No	04/2000	1	04/18/2000		
Child Care	No	01/2005	1	01/07/2005		
Disabled Children	No	04/2000	1	04/18/2000		
Food Benefits	No	04/2000	1	04/18/2000		
Medical Assistance	Yes	01/2026	3	05/14/2026		
Medicare Savings Programs	No	04/2000	1	04/18/2000		

Program of Assistance Details, staff must indicate “0” in the Retro MA field:

Program of Assistance Details [Document Imaging Verification](#)

[< Back to Summary](#)

Medical Assistance

Requester * ▼

Filing Date *  Last Verification Date 

CRDP ▼

Retro MA ▼

Individuals *

Select: [Individual\(s\)](#) | [All](#) | [Clear All](#)

On March 14, 2026, the case is run and confirmed. This individual is determined eligible for Assisted Living, effective January 1, 2026, ongoing.

The AWW system approval notice to the individual shows eligibility beginning January 1, 2026.

The individual calls the Health Benefits Manager on March 22, 2026, and will be enrolled with an MCO on May 1, 2026.

Staff must send a manual denial notice for the retroactive eligibility period: October 1, 2025, through December 31, 2025.

The manual notice must state:

Federal regulations at 42 CFR §441.301(c)(2) and 42 CFR §441.725(b) require that a Person-Centered Service Plan (PCSP) be completed and signed before Home and Community Based Services can be provided. The PCSP is developed **after enrollment** with a Managed Care Organization (MCO). Services cannot be approved before the PCSP is completed.

Case Comment Example:

The individual requested retroactive coverage. Coverage was denied for October 1, 2025, through December 31, 2025, due to Federal regulations at 42 CFR §441.301(c)(2) and 42 CFR §441.725(b).
The applicant is approved for Assisted Living, effective January 1, 2026, ongoing.

The Assisted Living Patient Pay Amount Notice should have an effective date of May 1, 2026, as this is the **earliest date** that HCBS will begin for this individual.

- If the individual **pre-selects an MCO**, they **may** be able to secure an April enrollment date because this case was confirmed in AWW *before* the March Adverse Action date.

DIRECT INQUIRIES TO

DHSS_DMMA_PPU@delaware.gov

Date

Andrew Wilson, Director
Division of Medicaid & Medical Assistance